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December 19, 1996

Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street NW, Room 814
Washington, DC 20554

Dear Honorable Reed Hundt:

Thank you for the opportunity to comment on CC DOCKET 96-45, Telecommunications Act of 1996. I am writing on behalf of the 22 member facilities of the TeleCare Network of North and South Dakota, to provide information regarding the Universal Service Provision of this Act.

The TeleCare Network is a cooperation of 22 health care facilities joined together via telecommunications technology to provide high quality specialty care services to citizens residing in rural North and South Dakota. I serve as the coordinator for the TeleCare Network and Telemedicine Services at St. Alexius Medical Center, Bismarck, ND. St. Alexius is a 300 bed, non-profit hospital and the sponsoring tertiary care center for the TeleCare Network.

Our experience in providing telemedicine interactive consultative services has shown that it is essential that the minimum standard for bandwidth be 1.544 Mbps. The physicians need this quality of telephone service in order to evaluate patients with the same standards of image resolution that they would see when evaluating the patient in person. Less bandwidth causes delays in image transmission and "jerkiness" in the picture quality when the patient moves, which would interfere with their ability to accurately diagnose and treat the patient.

We believe that in order for telemedicine networks like ours to continue in the future, the telephone rates need to become **truly affordable** for the small rural hospitals and clinics. Currently, the cost for telephone services to these rural communities ranges from \$1,100 to \$4,200 per month. The distance away from Bismarck, as the central "Hub" is 63 miles to 200 miles. **It is not enough that the rates be comparable in rural and urban areas, these rates need to be distance neutral in order for rural facilities to afford to offer this kind of access to specialty physician services.** Telemedicine is beneficial for citizens of these communities because it enables more health care services to be received locally which stimulates the economy of these struggling rural communities.

We would encourage the commission to give consideration to the following:

1. Maintain the standard transmission rates at up to and including 1.544 Mbps.
2. Offer discounted rates to qualifying health care facilities.
3. Set up a rate structure for these services that would be **distance neutral** - inter and intra-lata.

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health group

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We would also like to encourage the Commission to review the landmark telecommunications reform act passed by the Texas legislature in 1995. Texas House Bill 2128 made it affordable for the state's public schools, libraries and hospitals to use advanced telecommunications technology on a daily basis. For example, before the legislation was passed, the cost for 1.544 Mbps transmission for medical consultations to a site 100 miles away was \$1,584 per month. After the law was enacted the monthly rate decreased to \$260 per month. This \$260 rate is 105% of the telephone company's cost for delivering this type of service. This price range is what the rural health care facilities need to remain competitive in offering a full range of services at the local level. The high cost of installation charges is also of concern. It is not uncommon for us to be billed \$1,200 for each new site that joins the TeleCare Network. I have enclosed a brochure that overviews the discounted rates that Southwestern Bell, Texas is offering.

Thank you for your commitment in seeing that the Telecommunications Act is implemented in a manner that will facilitate the advancement of telemedicine to benefit the residents of rural states like North and South Dakota. Have a Merry Christmas!

Sincerely,

Shari Frueh, RN

Shari Frueh, RN
Telemedicine Coordinator-TeleCare Network

enclosures

C: Mr. Richard Tschider, CEO, St. Alexius Medical Center
FCC Office of the Secretary and Committee Service List
International Transcription Service for the FCC
Ms. Sheryl Todd, Common Carrier Bureau (on diskette)
US Senator Kent Conrad
US Senator Byron Dorgan
US Representative Earl Pomeroy

DIAL THE INTERNET TOLL-FREE

Another provision of HB 2128 calls for Southwestern Bell to offer public schools and libraries toll-free dialing to an Internet service provider. The schools and libraries that are eligible must be served by Southwestern Bell and be located in a community where today there is no Internet service provider that can be reached with a local phone call.

Southwestern Bell has established two ways to meet this commitment. First, for the schools that today are accessing the Internet through TENET (Texas Education Network), a special 800 number has been established. Schools that use TENET for Internet access should contact TENET for more information.

If a school or library does not access the Internet through TENET and must dial long distance to reach an Internet provider, Southwestern Bell will provide the school or library with a special phone number that will connect it to the Internet provider the school has chosen within Southwestern Bell's service area. Simply contact Southwestern Bell's Internet coordinator at the following address:

SWBT INTERNET COORDINATOR


One Bell Plaza

Room 3040.14

Dallas Texas 75202

E-Mail: ls3605@dlsmail1.sbc.com

Discounted Rates for Telecommunications Services for Schools, Libraries and Hospitals Under House Bill 2128

Sen. Sibley - Unanimous Approval
View total interconnectivity of more
data, video, etc. from any point
to any other point. Schools
were the focus
Originated in the
Comm. Development Committee
Ed. is the key
Crime Prevention
Telephone companies are helping
with the bill. They're
giving back more services
at cut rates.
**Southwestern Bell**
Telephone

February 1996



Southwestern Bell
Telephone

INFORMATION-SHARING TECHNOLOGY CAN BE MORE AFFORDABLE

By passing a landmark telecommunications reform act last year, the Texas Legislature has made it more affordable for the state's public schools, libraries and hospitals to use advanced telecommunications technology on a daily basis. Through House Bill 2128, certain telecommunications services are now available at lower rates, which means accessing the World Wide Web on the Internet, conducting trigonometry classes simultaneously at several sites via video conferencing, or reviewing patient records in telemedicine programs has never been more cost-effective.

At Southwestern Bell, we're available to offer our expertise to help schools, libraries and hospitals improve their current telecommunications system through the use of lower service rates as a result of HB 2128.

TELECOMMUNICATIONS SERVICES AVAILABLE AT DISCOUNTED RATES

MEGALINK III

SERVICE NAME: MegaLink III (DS-1 or T-1 service)

SERVICE DESCRIPTION: MegaLink III provides digital, private telecommunications between two or more locations, whether across the street or across town, at speeds up to 1.544 megabits per second (mbps). MegaLink III is a premium telecommunications service that would be suitable to meet the needs of most schools, libraries and hospitals.

APPLICATIONS: MegaLink III can link classrooms, computer labs, offices or libraries to one another or to other information sources. In the classroom it can be used effectively for instructional purposes, like Internet access and text, graphic and video sharing. It also can carry administrative data such as attendance reporting. In the healthcare industry, MegaLink III can link doctors to hospital information systems, allowing them to pre-admit patients, check on patient status, review patient records and schedule lab tests.

HB 2128 PRICING: \$130 a month per channel termination (connection point) regardless of the distance between the two locations that are connected within the same LATA. An optional "clear channel" feature, which increases the available bandwidth of MegaLink III, is priced at \$30 a month.

MEGALINK CUSTOM

SERVICE NAME: MegaLink Custom (DS-3)

SERVICE DESCRIPTION: Like MegaLink III, MegaLink Custom also provides digital, private telecommunications between two or more locations. However, MegaLink Custom moves more information—it's up to 28 times faster (45 mbps) than MegaLink III. MegaLink Custom uses fiber optic cable to transmit voice data and video signals.

APPLICATIONS: One of the primary advantages of MegaLink Custom is that it allows more users to use the system at one time. For example, MegaLink Custom could link many desktop computers together and share information simultaneously. MegaLink Custom also is capable of providing "near broadcast quality" full motion video (which is comparable to commercial television) for use in distance learning and telemedicine applications.

HB 2128 PRICING: MegaLink Custom is priced on an individual case basis at Southwestern Bell's cost plus five percent and is partly distance insensitive. The charge for mileage between the Southwestern Bell central switching offices providing MegaLink Custom service is the same regardless of the distance between central offices.

BROADBAND EDUCATION VIDEO SERVICE

(BEVS)

SERVICE NAME: Broadband Educational Video Service (BEVS)

SERVICE DESCRIPTION: BEVS provides continuous-presence, near broadcast quality video either of two ways: point-to-point (between two locations), or multi-point (between three or four locations). BEVS includes a fiber optic line from a SWBT central office to the eligible school, library or hospital, as well as a 10 mbps Ethernet feature for data transmission. BEVS is available for a flat monthly rate, and is available to be used 24 hours a day.

APPLICATIONS: BEVS allows schools, libraries and hospitals to connect with one another and share full-motion interactive video. While BEVS is used more for educational applications, telemedicine uses are also growing.

HB 2128 PRICING: BEVS is available at Southwestern Bell's cost plus five percent.

NATIVE LAN INTERCONNECTION SERVICES

SERVICE NAME: Native LAN Interconnection Services (NLIS)

SERVICE DESCRIPTION: NLIS are high-speed, private network services that connect two or more Local Area Networks (LANs) "transparently," or unnoticed by the users. Southwestern Bell offers customized NLIS service for joining 10 mbps Ethernet LANs, 4 or 16 mbps Token Ring LANs, or 100 mbps Fiber Distributed Data Interface (FDDI) LANs. Service is also available in either point-to-point (two locations) or multi-point (three or more locations) options.

APPLICATIONS: NLIS can be used to link individual school or hospital networks together for joint projects or programs. The service could be used for purposes as simple as sharing files or as complex as conducting live interactive video training or educational sessions. These functions could be connected simultaneously or meet a predetermined schedule.

HB 2128 PRICING: NLIS is based on an individual case basis at Southwestern Bell's cost plus five percent.

NETWORK RECONFIGURATION SERVICE (NRS)

SERVICE NAME: Network Reconfiguration Service (NRS)

SERVICE DESCRIPTION: NRS offers the ability to control and reconfigure MegaLink III or MegaLink Custom networks remotely to make the most of the network during periods of heavy or light usage—whether it be from hour-to-hour, day-to-day, or week-to-week.

APPLICATIONS: NRS, for example, allows schools to dedicate a number of telephone lines to serve continuing education needs during regular business hours. At night, the same school could reconfigure these telephone lines to serve data center and accounting functions. Likewise, if a hospital uses the services of several long distance companies, NRS also provides the hospital the ability to choose the most economical service for particular routes and times of day.

HB 2128 PRICING: The monthly price for a DS-1 port is \$45 a month. In addition, a non-recurring charge of \$1,770 is required for initial database setup.

ADDITIONAL SAVINGS ON HB 2128 SERVICES INSTALLATION

All of the services above are available *without incurring additional installation or special construction charges*. That's added savings in addition to the already reduced price for each service.